

OF COUNSEL:
DAVIS LEVIN LIVINGSTON GRANDE

THOMAS R. GRANDE 3954-0
851 Fort Street, 4th Floor
Honolulu, Hawaii 96813
Telephone: (808) 524-7500
Facsimile: (808) 545-7802
Email: tgrande@davislevin.com

PRICE, OKAMOTO, HIMENO & LUM

WARREN PRICE III 1212-0
707 Richards Street, Suite 728
Honolulu, Hawaii 96813
Telephone: (808) 538-1113
Facsimile: (808) 533-0549
Email: wprice@pohlhawaii.com

Attorneys for *Qui Tam* Relator/Plaintiff

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF HAWAII

UNITED STATES OF AMERICA EX
REL. MARIA VALLADARES
KADZIELAWA, STATE OF HAWAII
EX *REL.* MARIA VALLADARES
KADZIELAWA, STATE OF
CALIFORNIA EX *REL.* MARIA
VALLADARES KADZIELAWA,
COMMONWEALTH OF VIRGINIA
EX *REL.* MARIA VALLADARES
KADZIELAWA, DISTRICT OF
COLUMBIA EX *REL.* MARIA
VALLADARES KADZIELAWA,

CIVIL No. 03-00631 DAE LEK
(Other Civil Action/*Qui Tam*)

QUI TAM RELATOR/PLAINTIFF'S
NOTICE OF DISMISSAL OF
CLAIMS OF THE
COMMONWEALTH OF VIRGINIA
AND DISTRICT OF COLUMBIA
AGAINST DEFENDANTS KAISER
FOUNDATION HOSPITALS AND
KAISER FOUNDATION HEALTH
PLAN, INC.

Relator/Plaintiff,

vs.

KAISER FOUNDATION
HOSPITALS and KAISER
FOUNDATION HEALTH PLAN,
INC.,

Defendants.

**QUI TAM RELATOR/PLAINTIFF'S NOTICE OF DISMISSAL OF
CLAIMS OF THE COMMONWEALTH OF VIRGINIA AND
DISTRICT OF COLUMBIA AGAINST
DEFENDANTS KAISER FOUNDATION HOSPITALS AND
KAISER FOUNDATION HEALTH PLAN, INC.**

Qui Tam Relator/Plaintiff Maria Valladares Kadzielawa (“Relator”), through her undersigned attorneys, hereby dismisses pursuant to Rule 41(a)(1) of the Federal Rules of Civil Procedure all claims of the Commonwealth of Virginia and District of Columbia in the first amended complaint filed May 4, 2004 against Defendants KAISER FOUNDATION HOSPITALS and KAISER FOUNDATION HEALTH PLAN, INC. (collectively “Kaiser”) without prejudice.

Relator is filing this (partial) dismissal because there is no longer a basis for the relief sought in the first amended complaint as to any of the claims of Plaintiffs Commonwealth of Virginia and District of Columbia against Kaiser.

The first amended complaint filed on May 4, 2004 alleged that Kaiser violated the federal False Claims Act, 31 U.S.C. §§ 3729-3733, and the False Claims Acts of California, Hawaii, the Commonwealth of Virginia, and the District of Columbia by submitting false statements to the United States for payment of Medicaid and other government health insurance reimbursement programs administered by the various states.

Under the federal False Claims Act, this court has supplemental jurisdiction over claims submitted to state Medicaid agencies, and supplemental jurisdiction over claims under the state False Claims Acts, including the District of Columbia and Virginia.

The United States, Relator, and Kaiser have reached a settlement of the claims under the federal False Claims Act for the United States' portion of Medicaid funding for Hawaii and California.

The United States, in its investigation of the claims under the federal False Claims Act, discovered that there were no Medicaid billings related to allegations in the first amended complaint submitted by Kaiser for the District of Columbia and the Commonwealth of Virginia.

A settlement of the claims under the Hawaii and California false claims acts has not been negotiated as of the present date.

This Notice of Dismissal will allow the claims on behalf of the Commonwealth of Virginia and the District of Columbia against Kaiser to be dismissed without prejudice, while preserving the claims of Hawaii and California.

Relator's undersigned counsel has contacted representatives of the District of Columbia and Commonwealth of Virginia Medicaid Fraud Offices, who indicate that they have no objection to the partial dismissal.

Relator's undersigned counsel contacted representatives of the U.S. Attorneys office and the Department of Justice, neither of whom has an objection to the partial dismissal.

The first amended complaint has been unsealed, but not served on Kaiser, so as to permit settlement discussions to resolve the remaining claims.

Kaiser has not served an answer or a motion for summary judgment. Trial has not been set.

Dated: Honolulu, Hawaii, January 11, 2007.

/s/ THOMAS R. GRANDE
THOMAS R. GRANDE

Counsel for Plaintiff/Relator
MARIA VALLADARES
KADZIELAWA